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FOR IMMEDIATE RELEASE
JUNE 2, 2004

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**YORKTOWN HEIGHTS MAN PLEADS GUILTY TO EMBEZZLING OVER
\$1.3 MILLION FROM COMPANY'S EMPLOYEE BENEFIT PLAN**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced that PHILLIP YUK FUN LIU pled guilty today to federal charges of embezzling approximately \$1,385,800 from the employee benefit plan of Guild Concepts, Ltd. ("Guild"), a marketing firm based in White Plains, New York.

According to a two-count criminal Information filed today in White Plains federal court, LIU was the Chief Financial Officer of Guild, which sponsored an employee benefit plan known as the Guild Concepts, Ltd. Employee Savings Plan ("the Plan"), an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"). LIU is and has always been one of two trustees of the Plan, according to the terms of its Adoption Agreement. As a Plan trustee, LIU has had control over the assets of the Plan.

According to the Information, LIU was the officer at Guild with primary responsibility for remitting participant contributions from Guild to the Plan. Pursuant to the Plan's

Adoption Agreement, Plan participants may elect to contribute a portion of their earnings toward the Plan.

As alleged in the Information, and as LIU admitted today at his guilty plea before United States Magistrate Judge GEORGE A. YANTHIS, on multiple occasions from about January 1, 1998 through about December 31, 2003, LIU knowingly failed to contribute to the Plan, on behalf of Guild, the amounts elected for contribution by Plan participants. LIU failed to contribute a total of approximately \$351,040.03 during the above-noted period.

The Information also charged, and LIU also admitted today, that on multiple occasions from about February 27, 2003, through about December 2, 2003, LIU caused various sums of money, cumulatively totaling approximately \$1,034,779.20, to be withdrawn from the Plan. According to the Information, none of said redemptions were either authorized by Plan participants or withdrawn for their benefit.

Finally, the Information also charged, and LIU also admitted today, that in about January 2004, LIU issued valuation statements to Plan participants for the quarter ending December 31, 2003, that failed to disclose that the Plan was underfunded due to LIU's failure to make contributions and his unlawful withdrawals, as described above.

As a result of his guilty plea, LIU, 46, of Yorktown Heights, New York, faces a maximum sentence of five years in prison and a \$250,000 fine on each of the two charges. LIU is

scheduled to be sentenced on September 9, 2004, before United States District Judge COLLEEN MCMAHON.

Mr. KELLEY praised the investigative efforts of the United States Department of Labor, Employee Benefits Security Administration, in connection with this case.

Assistant United States Attorney JEFFREY A. UDELL is in charge of the prosecution.

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